

# HOUSE BILL No. 1097

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-12-16; IC 6-1.1-12-17.4.

**Synopsis:** Veterans' and spouses' property tax deductions. Extends eligibility for the property tax deduction for World War I veterans and surviving spouses to all veterans who serve in the United States armed forces in any war or perform equally hazardous duty.

**Effective:** July 1, 2003.

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**Stevenson**

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January 7, 2003, read first time and referred to Committee on Ways and Means.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1097

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 6-1.1-12-16, AS AMENDED BY P.L.291-2001,  
2 SECTION 138, IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2003]: Sec. 16. (a) Except as provided in  
4 section 40.5 of this chapter, a surviving spouse may have the sum of  
5 nine thousand dollars (\$9,000) deducted from the assessed value of his  
6 or her tangible property or real property, mobile home not assessed as  
7 real property, or manufactured home not assessed as real property that  
8 the surviving spouse is buying under a contract that provides that ~~he~~  
9 **the surviving spouse** is to pay property taxes on the real property,  
10 mobile home, or manufactured home, if the contract or a memorandum  
11 of the contract is recorded in the county recorder's office, and if:  
12 (1) the deceased spouse ~~served in the military or naval forces of~~  
13 ~~the United States before November 12, 1918; was a veteran~~  
14 **described in section 17.4(a) of this chapter; and**  
15 (2) the deceased spouse received an honorable discharge.  
16 (b) A surviving spouse who receives the deduction provided by this  
17 section may not receive the deduction provided by section 13 of this



chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 2. IC 6-1.1-12-17.4, AS AMENDED BY P.L.291-2001, SECTION 139, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 17.4. (a) **This section applies to veterans who:**

- (1) serve in the United States armed forces during any war or perform equally hazardous duty that is recognized by the award of a service or campaign medal of the United States; and**
- (2) receive any discharge or separation from the armed forces other than a dishonorable discharge.**

(b) Except as provided in section 40.5 of this chapter, a ~~World War I~~ veteran **described in subsection (a)** who is a resident of Indiana is entitled to have the sum of nine thousand dollars (\$9,000) deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying under a contract that requires the veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

- (1) the real property, mobile home, or manufactured home is the veteran's principal residence;
- (2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed seventy-eight thousand dollars (\$78,000); and
- (3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction.

~~(b)~~ (c) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

~~(c)~~ (d) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by

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1 the entirety, only one (1) deduction may be allowed under this section.  
2 However, the deduction provided in this section applies if either spouse  
3 satisfies the requirements prescribed in subsection ~~(a)~~: **(b)**.

4 ~~(d)~~ **(e)** An individual who has sold real property, a mobile home not  
5 assessed as real property, or a manufactured home not assessed as real  
6 property to another person under a contract that provides that the  
7 contract buyer is to pay the property taxes on the real property, mobile  
8 home, or manufactured home may not claim the deduction provided  
9 under this section with respect to that real property, mobile home, or  
10 manufactured home.

11 SECTION 3. [EFFECTIVE JULY 1, 2003] **IC 6-1.1-12-16 and**  
12 **IC 6-1.1-12-17.4, both as amended by this act, apply only to**  
13 **property taxes first due and payable after December 31, 2004.**

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